
PRESTON MANOR ACADEMY TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2025**

Members:	D Palmer A Braganza (resigned 18 April 2025) P Fanning N Minar (appointed 18 April 2025)
Trustees:	D Palmer, Chair of Trustees, Community Trustee J Bach, Vice Chair, Partnership Trustee E Counsell, Vice Chair, co-opted Trustee S Lawrence, Community Trustee R Gulati, Co-opted Trustee R Harding, Co-opted Trustee (appointed 15 September 2025) A Meghji, Co-opted Trustee S Pramanik, Co-opted Trustee, Vice Chair S Tahir, Co-opted Trustee (sabbatical from 8 July 2024) S Venables, Co-opted Trustee K Patel, Partnership Trustee (maternity leave from 19 March 2024) A Chavan, Parent Trustee N Minar, Parent Trustee (resigned 18 April 2025) M Adan, Parent Trustee A Shah, Local Authority Trustee V Reddy Charabudla, Parent Trustee M Limbani, Parent Trustee R Denial, Executive Headteacher and Accounting Officer
Senior Management Team:	R Denial, Executive Headteacher (Accounting Officer) N Kampta, Director of Finance & Operations (Chief Financial Officer)
Upper School:	T Phillips, Head of Upper School S Clarke (nee Dareve), (Deputy Head from 1 September 2024) C Donne, Deputy Head D Tully, (Deputy Head from 1 September 2024) U Bashir-Ali, Assistant Head (appointed 1 September 2024) Z Dale, Assistant Head H Pratchett, Acting Assistant Head (appointed 1 September 2024) C Snoad, Assistant Head (appointed 1 Jan 2025) S Wallman, Assistant Head (resigned as Assistant Head 31 Dec 2024) A Ward, Assistant Head (resigned 31 August 2025)
Lower School:	K Atkinson, Head of Lower School Q Siddique, Deputy Head S Solanki, Assistant Head
Company Name:	Preston Manor Academy Trust
Registered Office:	Preston Manor School Carlton Avenue East Wembley Middlesex HA9 8NA
Company Registration Number:	08359584
Independent Auditor:	BKL Audit LLP 35 Ballards Lane London, N3 1XW
Bankers:	HSBC Bank PLC, Wembley, HA0 2DB
Solicitors:	Druces LLP, Salisbury House London Wall, London, EC2M 5PS

PRESTON MANOR ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2024 to 31 August 2025. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 4 to 18 serving a catchment area in the London Borough of Brent. It has a pupil capacity of 1980 and had a roll of 1928 in the school census in January 2025.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Preston Manor Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Preston Manor School.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on the preceding pages of this document.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

Method of Recruitment and Appointment or Election of Trustees

The management of the academy is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- The executive headteacher
- parent trustees (minimum of 2), appointed by parents
- co-opted trustees
- community trustees
- partnership trustees
- local authority trustees
- Any trustees appointed by the Secretary of State for Education

The term of office for any trustee is 4 years. The Executive Headteacher's term of office runs parallel with their term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new trustees are given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Organisational Structure

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the trustees and the executives who are the senior leadership team.

The governing body has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The governing body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The headteacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

The Executive Headteacher assumes the accounting officer role.

Arrangements for setting Pay and Remuneration of Key Management Personnel

The Board has delegated the arrangement for setting the pay and remuneration for executive directors and senior management to the Pay Committee whose members comprise three trustees. This committee reviews the performance of the executive directors and ensures that succession planning is in line with the plans of the Trust.

The Trust scheme of delegation sets out the responsibility for pay increases for all staff to the Pay Committee.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.6

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1% - 50%	1
51% - 99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£2,040
Provide the total pay bill	£12,840,370
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.02%

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Trade Union Facility Time (Continued)

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	25%
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Objectives and Activities

Objects and Aims

The principal objects and activity of the academy is the operation of Preston Manor Academy Trust to provide a broad and balanced education for pupils of all abilities in the Brent area, and to promote for the inhabitants of Brent and the surrounding area the provision of facilities for recreation and other leisure time occupation. The governors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

Objectives, Strategies and Activities

Public Benefit

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Raising money for local, national and international charities, such as:
- Cancer research
- Macmillan
- Rays of Sunshine
- Save the Children
- Sixth Form community donations

Strategic Report - Achievements and Performance

Preston Manor School opened as a converter academy in February 2013. In July 2022 Ofsted judged the school's overall effectiveness as Good. It has a pupil capacity of 1980 and had a roll of 1921 in the school Census in October 2024

Key Performance Indicators

Upper and Lower School

Funded pupil numbers

KS1 & KS2 = 403, KS3 = 743, KS4 = 503, KS5 =271

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Key Performance Indicators (Continued)

Upper School

Results for our students in 2025 were excellent with some notable personal achievements. In the absence of Progress measures due to the pandemic, attainment figures were the headline measures.

At KS2 attainment measures in every metric were above national averages with the combined score being significantly above. At KS4, the A8 headline figure achieved FFT20 targets which would put us in the top 20% of similar schools nationally. This target was also exceeded in English, Maths and the Ebacc subject group. At KS5, 93% of our students progressed to university including one student who secured a place at Cambridge. The average grade at Post 16 remained broadly in line with national averages and the school's results over the last three years.

The continued importance of these results demonstrates that the schools' continued improvement has been consolidated with further improvements expected over the next two years, especially for our Year 10 cohort who will have Progress measures published once again.

The attainment gap for our disadvantaged cohort remains very small and significantly better than the national comparison. Had Progress 8 measures been published at KS4 and progress measures published at KS2, we would have seen arguably the school's best ever results.

KS4

	2022			2023			2024			2025		
	Actual	Nat	Diff	Actual	Nat	Diff	Actual	Nat	Diff	Actual	Nat	Diff
Progress 8	0.4	0	0.4	0	0	0	0.3	0	0.3	-	-	-
Attainment 8	52.9	48.8	4.1	44	46.3	-2.3	47.3	45.9	1.4	46.2	45.9	0.3
Grade 5 or above in English and Maths	61%	50%	11%	44%	45%	-1%	44%	46%	-2%	40%	45%	-5%
Grade 4 or above in English and Maths	77%	69%	8%	61%	65%	-5%	65%	65%	0%	65%	65%	1%
Entering Ebacc	80%	39%	41%	70%	39%	31%	61%	40%	20%	47%	41%	7%
Ebacc APS	4.95	4.27	0.68	4.06	4.05	0.01	4.31	4.07	0.24	4.23	4.08	0.15
Cohort	240			248			246			250		

PLEASE NOTE: The 2025 provisional results have been compared to the 2025 provisional national data in this table.

Progress 8 scores for 2024/25 are not available. This is because there were no KS2 assessments to calculate the baseline for Progress 8 due to Covid-19 disruption.

National = all state-funded schools in England

KS5

A Level	2022	2023	2024	2025
A*-C	66%	59%	64%	61%

School Absence Data

(Whole School)

	22/23	23/24	24/25
Authorised	5.1%	5.0%	5.3%
Unauthorised	2.8%	2.5%	2.4%
Total	7.9%	7.5%	7.7%

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Key Performance Indicators (Continued)

Lower School

SATs outcomes for children in year 6 for the 2024/25 academic year are:

School Reading 83% at ARE
School Reading 28% at GD
National Reading at ARE was 75%
National Reading at GD was 35%
School Writing at ARE 78%
School Writing at GD 21%
National Writing at ARE was 72%
National Writing at GD was 14%

School Maths at ARE 77%
School Maths at GD 31%
National Maths at ARE was 74%
National Maths at GD was 28%

School GPS at ARE 85%
School GPS at GD 43%
National GPS at ARE was 73%
National GPS at GD was 31%

Combined Outcomes for Reading, Writing and Maths at the end of Key Stage 2:

School combined 72%
School GD combined 12%
National combined 64%
National combined at GD was 9%

The Schools Progress figures at KS2 SATs were as follows:

Reading +2.1
Writing +2.8
Maths +1.3
GPS +4.1

Disadvantaged Children Performance Analysis:

In KS2, our disadvantaged children performed well in line with their peers. In Reading FSM children achieved ARE at 82% (1% below non FSM children), in Writing FSM children achieved ARE at 73% (5% below non FSM children), and in Maths FSM children achieved 73% (4% below non FSM children).

Attendance:

Overall attendance for the 2024/2025 academic year from Sept - July was 94.1%. Overall FSM attendance for the 2024/2025 academic year was 93.3%. Overall children with EHCP attendance for the 2024/2025 academic year was 88.8%. Overall CLA attendance for the 2024/2025 academic year was 97.1%.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Strategic Report - Financial Review

Finance Review

Most of the Academy's income is obtained from the Department for Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2025 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

Reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (i.e. is 'free')

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review at each board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £32,937,260 (2024: £33,685,506). This balance includes unrestricted funds of £1,004,109 (2024:£798,903) which are considered appropriate for the Academy Trust, and restricted funds of £1,197,333 (2024:£1,331,780) and restricted fixed asset funds of £30,735,818 (2024: £31,554,823).

The Governing Body have determined that the appropriate level of free reserves should be a sum equivalent to 2 month's payroll, approximately £2,150,000 and an additional £250,000 due to the uncertainties of future Government spending. The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies.

The amount of designations made in relation to the restricted reserves totals to £35,000 relating to the following specific capital projects:

£25,000 approx. (contribution towards potential future CIF project)
£10,000 approx. (decorating and repairs across the school site)

However, if the school is unsuccessful with its 2026/27 CIF bids, instead of a £25,000 contribution, the school is likely to need to fund from its restricted reserves approx. £450,000 for phase 2 of the Electrical upgrades project.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust does not recognise a pension fund asset as at 31 August 2025. In accordance with the FRS 102 pension report, there was a pension asset of £3,651,000 as at 31 August 2025.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to any recognition of the surplus or deficit.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Investment Policy

Investment policies are determined by the Trust Board. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this would be escalated to the Trust Board for consideration.

As at 31 August 2025, no investments were held.

Principal Risks and Uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The trustees have implemented a number of systems to assess risks that the Academies face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

The trustees also are fully aware of their responsibilities to ensure that the trust's estate is safe, well maintained and compliant with the relevant regulations.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was no deficit at 31 August 2025. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2023, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Fundraising

The Trust does not engage in any formal fundraising

Plans for Future Periods

During July to August 2025, various improvements were made around the upper and lower school sites including painting and repairs.

Preston Manor School was successful with one of its bids under the Condition Improvement Fund (CIF) 2025/26 (Fire Safety Upgrades) at the Upper School site.

In addition to this, work has continued on phase 1 of the Electrical Upgrades project and is due to complete in February 2026 (CIF 2024/25). The Fire Safety upgrades are due to complete in December 2025.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Plans for Future Periods (Continued)

The school is intending to submit a CIF bid for the 2026/27 round to complete phase 2 of the Electrical Upgrades project at the upper school site including addressing urgent actions identified during recent Health & Safety Audits.

Campaigns are being planned to try to attract more students to the school's Sixth Form in the hope of increasing pupil numbers in future years.

Preston Manor School's strategic and development plans clearly outline the immediate future plans.

Funds Held as Custodian Trustee on Behalf of Others

The Academy Trust and its trustees act as custodian on behalf of DfE to disburse 16-19 Bursary funds as note 30 of these accounts.

Auditor

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 17 November 2025 and signed on the board's behalf by:



S Venables
Chair of Resources, Audit and Risk Committee

PRESTON MANOR ACADEMY TRUST
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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Preston Manor Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Executive Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Preston Manor Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Russell Denial	6	6
Donald Palmer	4	6
Everton Counsell	4	6
Jonathan Bach	6	6
Susan Lawrence	5	6
Rajeev Gulati	4	6
Sarah Venables	5	6
Archana Chavan	5	6
Suzanna Pramanik	5	6
Nadir Minar	0	4
Al Meghji	4	6
Vamshi Reddy	4	6
Mina Limbani	6	6
Malko Adan	5	6
Ahir Shah	6	6

At the start of each meeting, Governors are asked (and it is minuted) whether there are any conflicts of interest to declare. If any are declared, the register of pecuniary interests is updated, and the revised version is published on the school's website.

This year's Governing Board Self Evaluation Day in June 2025 focused specifically on the strengths and areas for development for both the FGB as well as the Governors' views of the school. The aim was to review the work undertaken by the FGB in supporting the school - especially with link GB visits - and termly monitoring and Safeguarding reviews, and how this can be developed in the year ahead.

The Governors' evaluation of the school was designed to demonstrate the alignment between priorities and how these had been tackled and where they were in the school's development plan. It was a successful day and produced an effective SEF document to be referred to. The next Self Evaluation for the FGB is scheduled for July 2026 with Safeguarding training for all in January 2026.

The Resources, Audit & Risk committee, is a sub-committee of the main board of trustees. Its purpose is to ensure that the Academy is following the DfE financial regulations.

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GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
S Venables	4	4
E Counsell	0	4
R Denial	4	4
M Limbani	4	4
A Meghji	3	4

Review of Value for Money

As accounting officer, the Executive Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Identifying opportunities for targeted support based on regular assessment and data analysis
- Monitoring individual child and student needs and ensuring support meets those needs. There has been a particular focus on our pupil premium students to ensure that they are receiving relevant targeted intervention
- Monitoring staff performance and providing appropriate challenge, support and development

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Preston Manor Academy Trust for the period 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks.

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GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

The Risk and Control Framework (Continued)

The board of trustees has decided to buy-in an internal audit service from Academy Education Services Limited

This option has been chosen as the board considers that this is the best method of gaining an independent and objective opinion on the effectiveness of the school's governance, risk management, and control processes. This option helps to improve operations, ensure compliance, and provide assurance to the board and stakeholders.

The internal auditor's / reviewer's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Procurement
- Payroll
- Banking
- Reporting and compliance
- Governance
- Fixed Assets
- Risk Register
- Staff expenses

On a termly basis, the internal auditor reports to the board of trustees, through the Resources, Audit & Risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The agreed schedule of work has been delivered as planned. No material control issues were identified as a result of the work undertaken.

Review of Effectiveness

As accounting officer, the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor / reviewer
- the work of the external auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Resources, Audit & Risk committee and a plan to ensure continuous improvement of the system is in place.

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the board of trustees on 17 November 2025 and signed on their behalf by:



S Venables
Chair of Resources, Audit and Risk Committee



R Denial
Accounting Officer

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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Preston Manor Academy Trust, I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the trust's funding agreement with DfE, and the requirements of the Academy Trust Handbook, including responsibilities for estates safety and management. I have also considered my responsibility to notify the academy trust board of trustees and DfE of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management.

I confirm that I, and the board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the framework of authorities.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and DfE.

RA Denial

R Denial
Accounting Officer

Date: 17 November 2025

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2025

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Department of Education, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on and signed on 17 November 2025 its behalf by:



S Venables
Chair of Resources, Audit and Risk Committee

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PRESTON MANOR ACADEMY TRUST**

Opinion

We have audited the financial statements of Preston Manor Academy Trust (the 'academy') for the year ended 31 August 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PRESTON MANOR ACADEMY TRUST (CONTINUED)**

Emphasis of matter

We wish to draw your attention to note 2, which discloses that operating lease previously held by the trust has been extended and now meets the definition of a finance lease. As such IT equipment with a net book value of £532,829 (2024 cost of £710,437) was capitalised in 2024, with a corresponding creditor of £564,419 (2024: £710,437) also being recognised. Due to the absence of records arising from the administration of Gaia Technologies reliable information around the cost of the asset cannot be provided. The Trust had previously been provided with a discount rate on this lease of 5%, and this rate has been used to calculate the cost of the asset based on expected future cashflows.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PRESTON MANOR ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.
- We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAS (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PRESTON MANOR ACADEMY TRUST (CONTINUED)**

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Edward Passmore

Edward Passmore FCA (Senior Statutory Auditor)

for and on behalf of

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

Date: 02/12/2025

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PRESTON
MANOR ACADEMY TRUST AND THE SECRETARY OF STATE FOR EDUCATION**

In accordance with the terms of our engagement letter dated 5 October 2023 and further to the requirements of the Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Preston Manor Academy Trust during the year 1 September 2024 to 31 August 2025 have not been applied to the purposes identified by Parliament and that the financial transactions do not conform to the authorities which govern them.

This report is made solely to Preston Manor Academy Trust and the Secretary of State for Education in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Preston Manor Academy Trust and the Secretary of State for Education those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Preston Manor Academy Trust and the Secretary of State for Education, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Preston Manor Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Preston Manor Academy Trust's funding agreement with the Secretary of State for Education dated 1 February 2013 and the Academy Trust Handbook, extant from 1 September 2024, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PRESTON
MANOR ACADEMY TRUST AND THE SECRETARY OF STATE FOR EDUCATION (CONTINUED)**

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by DfE. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

The work undertaken to draw to our conclusion includes:

- review of management reporting documents
- review of Trustees/Governors meeting minutes;
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties;
- consideration of the Academies Trust Handbook regularity requirements and related documents; and
- review of internal controls.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

BKL Audit LLP

Reporting Accountant

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
United Kingdom

Date: 02/12/2025

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:						
Donations and capital grants	3	-	16,775	215,932	232,707	1,809,664
Other trading activities	5	216,036	367,518	-	583,554	627,089
Investments	6	60,768	55,000	-	115,768	54,183
Charitable activities	4	-	16,432,275	-	16,432,275	15,273,133
Total income		276,804	16,871,568	215,932	17,364,304	17,764,069
Expenditure on:						
Charitable activities		71,598	16,446,711	1,274,241	17,792,550	16,749,590
Total expenditure		71,598	16,446,711	1,274,241	17,792,550	16,749,590
Net income/(expenditure)		205,206	424,857	(1,058,309)	(428,246)	1,014,479
Transfers between funds	17	-	(239,304)	239,304	-	-
Net movement in funds before other recognised gains/(losses)		205,206	185,553	(819,005)	(428,246)	1,014,479
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	25	-	(320,000)	-	(320,000)	(301,000)
Net movement in funds		205,206	(134,447)	(819,005)	(748,246)	713,479
Reconciliation of funds:						
Total funds brought forward		798,903	1,331,780	31,554,823	33,685,506	32,972,027
Net movement in funds		205,206	(134,447)	(819,005)	(748,246)	713,479
Total funds carried forward		1,004,109	1,197,333	30,735,818	32,937,260	33,685,506

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 24 to 53 form part of these financial statements.

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08359584

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	13	30,648,187	30,697,970
Current assets			
Debtors	14	1,169,048	2,053,584
Cash at bank and in hand		2,742,076	2,526,100
		<u>3,911,124</u>	<u>4,579,684</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(1,204,385)	(999,651)
Net current assets		<u>2,706,739</u>	<u>3,580,033</u>
Total assets less current liabilities		<u>33,354,926</u>	<u>34,278,003</u>
Creditors: amounts falling due after more than one year	16	(417,666)	(592,497)
Net assets excluding pension asset		<u>32,937,260</u>	<u>33,685,506</u>
Defined benefit pension scheme liability	25	-	-
Total net assets		<u><u>32,937,260</u></u>	<u><u>33,685,506</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	30,735,818	31,554,823
Restricted income funds	17	1,197,333	1,331,780
Pension reserve		-	-
Total restricted funds	17	<u>31,933,151</u>	<u>32,886,603</u>
Unrestricted income funds	17	<u>1,004,109</u>	<u>798,903</u>
Total funds		<u><u>32,937,260</u></u>	<u><u>33,685,506</u></u>

The financial statements on pages 21 to 53 were approved by the trustees, and authorised for issue on 17 November 2025 and are signed on their behalf, by:



S Venebles
Chair of Resources, Audit and Risk Committee

The notes on pages 24 to 53 form part of these financial statements.

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	396,993	(200,678)
Cash flows from investing activities			
	21	(59,870)	(366,304)
Cash flows from financing activities			
	20	(121,147)	12,681
Change in cash and cash equivalents in the year		215,976	(554,301)
Cash and cash equivalents at the beginning of the year		2,526,100	3,080,401
Cash and cash equivalents at the end of the year	22, 23	2,742,076	2,526,100

The notes on pages 24 to 53 form part of these financial statements

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2024 to 2025 issued by DfE, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All incoming resources are recognised when the Academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Charitable activities**

These are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following basis:

Freehold property	-	2%
Building improvement	-	6%
Furniture and fixtures	-	20%
Computer equipment	-	25% to 33%
Motor vehicles	-	20%

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.9 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Finance leases and hire purchase

Leasing agreements, which transfer to the academy trust substantially all the risks and rewards incidental to ownership of an asset, are treated as finance leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset or, if lower, the present value of minimum lease payments as determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Assets held under finance leases are included in tangible fixed assets and depreciated over the shorter of the lease term and the estimated useful economic life of the asset and assessed for impairment losses in the same way as for owned assets.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charges are allocated to the statement of financial activities, over the period of the lease, in proportion to the capital element outstanding.

PRESTON MANOR ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.11 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

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2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Trust had an operating lease with Gaia Technologies which went into administration in 2019. During the current financial year the leases were extended and now meet the characteristics of a finance lease. As such an asset and corresponding liability have been recognised. Due to the absence of records arising from the administration of Gaia Technologies reliable information around the cost of the asset cannot be provided. The Trust had previously been provided with a discount rate on this lease of 5%, and this rate has been used to calculate the cost of the asset based on the expected future cashflows.

The Academy makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £
Donations	16,775	-	16,775
Capital grants	-	215,932	215,932
	<u>16,775</u>	<u>215,932</u>	<u>232,707</u>

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3. Income from donations and capital grants (continued)

	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Donations	13,830	-	13,830
Capital grants	-	1,795,834	1,795,834
	<u>13,830</u>	<u>1,795,834</u>	<u>1,809,664</u>

4. Funding for the Academy's charitable activities

	Restricted funds 2025 £	Total funds 2025 £
Educational Activities		
DfE grants		
General Annual Grant	11,724,322	11,724,322
Other DfE grants		
16-19 core education funding	1,846,677	1,846,677
Pupil premium	544,365	544,365
UFSM	48,040	48,040
Teachers' pay grant	198,427	198,427
Teachers' pension grant	352,307	352,307
Core schools budget grant	487,284	487,284
Others	197,063	197,063
	<u>15,398,485</u>	<u>15,398,485</u>
Other Government grants		
Local authority grants	945,440	945,440
Mayor of London UFSM	88,350	88,350
	<u>1,033,790</u>	<u>1,033,790</u>
	<u>16,432,275</u>	<u>16,432,275</u>

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4. Funding for the Academy's charitable activities (continued)

	Restricted funds 2024 £	Total funds 2024 £
Educational Activities		
DfE grants		
General annual grants	11,075,488	11,075,488
Other DfE grants		
16-19 Core education funding	1,784,981	1,784,981
Pupil Premium	495,778	495,778
UIFSM	58,406	58,406
PE Teacher grant	197,444	197,444
Teachers' pension grant	185,340	185,340
Others	543,473	543,473
	14,340,910	14,340,910
Other Government grants		
Local authority grants	848,642	848,642
Mayor of London UFSM	83,581	83,581
	932,223	932,223
	15,273,133	15,273,133
	15,273,133	15,273,133

5. Income from other trading activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Lettings income	216,036	-	216,036
Catering income	-	189,126	189,126
Other income	-	119,390	119,390
Trip income	-	59,002	59,002
	216,036	367,518	583,554
	216,036	367,518	583,554

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5. Income from other trading activities (continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Lettings income	208,955	-	208,955
Catering income	-	200,413	200,413
Other income	-	168,634	168,634
Trip income	-	49,087	49,087
	<u>208,955</u>	<u>418,134</u>	<u>627,089</u>

6. Investment income

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Pension income	-	55,000	55,000
Investment income	60,768	-	60,768
	<u>60,768</u>	<u>-</u>	<u>60,768</u>

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Pension income	-	12,000	12,000
Investment income	42,183	-	42,183
	<u>42,183</u>	<u>-</u>	<u>42,183</u>

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7. Expenditure

	Staff Costs 2025 £	Premises 2025 £	Other 2025 £	Total 2025 £
Educational Activities:				
Direct costs	9,309,486	692,738	1,141,575	11,143,799
Allocated support costs	4,787,737	673,141	1,187,873	6,648,751
	<u>14,097,223</u>	<u>1,365,879</u>	<u>2,329,448</u>	<u>17,792,550</u>
	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £
Educational Activities:				
Direct costs	8,660,710	919,835	715,838	10,296,383
Allocated support costs	4,620,648	571,792	1,260,767	6,453,207
	<u>13,281,358</u>	<u>1,491,627</u>	<u>1,976,605</u>	<u>16,749,590</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Educational Activities	<u>11,143,799</u>	<u>6,648,751</u>	<u>17,792,550</u>
	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Educational Activities	<u>10,296,383</u>	<u>6,453,207</u>	<u>16,749,590</u>

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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational Activities 2025 £	Total funds 2025 £
Staff costs	9,136,503	9,136,503
Depreciation	1,238,335	1,238,335
Educational supplies	141,054	141,054
Technology costs	113,232	113,232
Teaching supply costs	172,983	172,983
Staff development and training	20,950	20,950
Examination fees	195,587	195,587
Other direct costs	125,155	125,155
	11,143,799	11,143,799
	Educational Activities 2024 £	Total funds 2024 £
Staff costs	8,125,000	8,125,000
Depreciation	1,004,081	1,004,081
Educational supplies	203,058	203,058
Technology costs	157,719	157,719
Teaching supply costs	535,710	535,710
Staff development and training	20,552	20,552
Examination fees	183,157	183,157
Other direct costs	67,106	67,106
	10,296,383	10,296,383

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Activities 2025 £	Total funds 2025 £
Staff costs	4,115,734	4,115,734
Technology costs	272,420	272,420
Recruitment and support	21,755	21,755
Support staff supply costs	937,003	937,003
Maintenance of premises and equipment	230,571	230,571
Other premises costs	13,337	13,337
Energy	256,970	256,970
Rent & rates	83,065	83,065
Insurance	64,283	64,283
Cleaning	24,915	24,915
Security and transport	21,190	21,190
Non cash pension costs	(265,000)	(265,000)
Finance lease interest	35,906	35,906
Catering costs (excl catering staff)	268,521	268,521
Other support costs	275,400	275,400
Legal and professional	266,011	266,011
Governance costs	26,670	26,670
	6,648,751	6,648,751
	6,648,751	6,648,751

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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Educational Activities 2024 £	Total funds 2024 £
Staff costs	3,999,221	3,999,221
Technology costs	271,251	271,251
Recruitment and support	42,552	42,552
Support staff supply costs	910,427	910,427
Maintenance of premises and equipment	241,406	241,406
Other premises costs	3,285	3,285
Energy	271,520	271,520
Rent & rates	20,390	20,390
Insurance	51,095	51,095
Cleaning	41,210	41,210
Security and transport	17,303	17,303
Non cash pension costs	(289,000)	(289,000)
Catering costs (excl catering staff)	261,852	261,852
Other support costs	311,768	311,768
Legal and professional	272,942	272,942
Governance costs	25,985	25,985
	<u>6,453,207</u>	<u>6,453,207</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2025 £	2024 £
Operating lease rentals	3,828	206,517
Depreciation of tangible fixed assets	1,238,335	1,004,081
Fees paid to auditors for:		
- audit	23,795	18,500
- other services	2,550	2,400
	<u>23,795</u>	<u>18,500</u>
	<u>2,550</u>	<u>2,400</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2025 £	2024 £
Wages and salaries	9,701,071	8,974,352
Social security costs	1,133,705	965,143
Pension costs	2,417,461	2,184,726
	<u>13,252,237</u>	<u>12,124,221</u>
Agency staff costs	1,109,986	1,446,137
Non cash pension costs	(265,000)	(289,000)
	<u>14,097,223</u>	<u>13,281,358</u>

Staff restructuring costs comprise:

	2025 £	2024 £
Severance payments	29,025	25,132
	<u>29,025</u>	<u>25,132</u>

b. Severance payments

The Academy paid 2 severance payments in the year (2024 - 2), disclosed in the following bands:

	2025 No.	2024 No.
£0 - £25,000	2	2
	<u>2</u>	<u>2</u>

c. Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £29,025 (2024: £21,832). Individually the payments were: £13,000 and £16,025.

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10. Staff (continued)

d. Staff numbers

The average number of persons employed by the Academy during the year was as follows:

	2025	2024
	No.	No.
Support and Admin	109	98
Management	13	12
Teachers	109	106
	<u>231</u>	<u>216</u>

e. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
	No.	No.
In the band £60,001 - £70,000	31	29
In the band £70,001 - £80,000	16	10
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	4	1
In the band £100,001 - £110,000	1	2
In the band £110,001 - £120,000	-	1
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-
	<u>1</u>	<u>-</u>

f. Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page . The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £1,770,467 (2024 - £1,748,040).

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11. Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of trustees' remuneration and other benefits was as follows:

		2025	2024
		£	£
S Nasrabadi, Staff Trustee	Remuneration	NIL	40,000 - 45,000
	Pension contributions paid	NIL	0 - 5,000
R Denial, Accounting Officer	Remuneration	150,000 - 155,000	140,000 - 145,000
	Pension contributions paid	40,000 - 45,000	15,000 - 20,000
H Pratchett, Teacher Trustee	Remuneration	NIL	65,000 - 70,000
	Pension contributions paid	NIL	5,000 - 10,000

During the year ended 31 August 2025, no trustee expenses have been incurred (2024 - £NIL).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2025 was £67 (2024 - £226). The cost of this insurance is included in the total insurance cost.

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13. Tangible fixed assets

	Freehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2024	35,864,487	301,489	723,607	1,065,403	68,849	38,023,835
Additions	579,077	-	258,423	339,052	12,000	1,188,552
Transfers between classes	301,489	(301,489)	-	-	-	-
At 31 August 2025	<u>36,745,053</u>	<u>-</u>	<u>982,030</u>	<u>1,404,455</u>	<u>80,849</u>	<u>39,212,387</u>
Depreciation						
At 1 September 2024	6,607,869	-	408,504	255,172	54,320	7,325,865
Charge for the year	405,508	-	287,230	527,972	17,625	1,238,335
At 31 August 2025	<u>7,013,377</u>	<u>-</u>	<u>695,734</u>	<u>783,144</u>	<u>71,945</u>	<u>8,564,200</u>
Net book value						
At 31 August 2025	<u><u>29,731,676</u></u>	<u><u>-</u></u>	<u><u>286,296</u></u>	<u><u>621,311</u></u>	<u><u>8,904</u></u>	<u><u>30,648,187</u></u>
At 31 August 2024	<u><u>29,256,618</u></u>	<u><u>301,489</u></u>	<u><u>315,103</u></u>	<u><u>810,231</u></u>	<u><u>14,529</u></u>	<u><u>30,697,970</u></u>

Included under computer equipment are assets held under finance leases at a net book value of £532,829 (2024: £710,437).

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14. Debtors

	2025 £	2024 £
Due after more than one year		
Prepayments and accrued income	-	308,369
	-	308,369
Due within one year		
Trade debtors	-	976
Other debtors	25,883	67,214
Prepayments and accrued income	1,143,165	1,677,025
	1,169,048	2,053,584

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Other loans	18,812	23,002
Trade creditors	77,066	109,182
Other taxation and social security	295,618	242,144
Obligations under finance lease and hire purchase contracts	185,071	175,071
Other creditors	277,957	258,266
Accruals and deferred income	349,861	191,986
	1,204,385	999,651
	34,071	79,673
Resources deferred during the year	63,696	34,071
Amounts released from previous periods	(34,071)	(79,673)
	63,696	34,071

At the balance sheet date the academy trust was holding funds received in advance for DfE Universal Free School Meals grant income of £28,350 (2024: £34,071), trip income of £33,337 (2024: £NIL) and other income of £2,009 (2024: £NIL).

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16. Creditors: Amounts falling due after more than one year

	2025	2024
	£	£
Other loans	38,318	57,130
Net obligations under finance lease and hire purchase contracts	379,348	535,367
	417,666	592,497
	417,666	592,497

Included within creditors less than and greater than one year is a total loan amount of £57,130 (2024: £80,132) from the DfE. Within this balance, there are two CIF loans. The first CIF loan was taken out in FY2021 repayable in 2026. The total balance outstanding at year end is £3,730 (2024: £8,852) with an interest rate accruing of 1.91%. In addition, there was another CIF loan drawn down in FY22 repayable in 2027. The total balance outstanding at the year end for this loan is £3,738 (2024: £5,608) with an interest rate accruing of 1.99%. Within this balance there are also four Salix loans. The first Salix loan is repayable in 2025 with a balance outstanding at year end of £2,798 (2024: £8,396) with an interest rate accruing of 0%. The second Salix loan is repayable in 2029 with a balance outstanding at year end of £11,473 (2024: £14,022) with a 0% interest rate accruing on the balance. The third Salix loan is repayable in 2029 with a balance outstanding at year end of £30,142 (2024: £36,840) with a 0% interest rate accruing on the balance. The fourth salix loan was drawn down in FY22. The total balance outstanding at year end is £5,248 (2024: £6,414) within a 0% interest rate accruing on the balance. This loan is repayable in 8 years' time, in 2030.

In the current year the Trust has committed to a finance lease relating to IT equipment. The net present value of minimum future lease payments to the end of the term in September 2028 is £564,420 (2024: £710,438), using a discount rate of 5% which is an accounting estimate. The discounted lease payments over the next year are £185,071 (2024: £175,071), £174,082 (2024: £174,082) in the next 1-2 years and £205,267 (2024: £361,285) in the next 2-5 years.

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17. Statement of funds

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Unrestricted funds						
General Funds -all funds	798,903	276,804	(71,598)	-	-	1,004,109
Restricted general funds						
General annual grants (GAG)	1,331,780	11,724,322	(11,619,465)	(239,304)	-	1,197,333
16-19 Core education funding	-	1,846,677	(1,846,677)	-	-	-
Pupil Premium	-	544,365	(544,365)	-	-	-
UIFSM	-	48,040	(48,040)	-	-	-
Teachers' pay grants	-	198,427	(198,427)	-	-	-
Teachers' pension grants	-	352,307	(352,307)	-	-	-
Core school budget grant	-	487,284	(487,284)	-	-	-
Others	-	197,063	(197,063)	-	-	-
Local authority grants	-	945,440	(945,440)	-	-	-
Mayor of London UFSM	-	88,350	(88,350)	-	-	-
Income from donations and capital grants	-	16,775	(16,775)	-	-	-
Income from other trading activities	-	367,518	(367,518)	-	-	-
Pension reserve	-	55,000	265,000	-	(320,000)	-
	1,331,780	16,871,568	(16,446,711)	(239,304)	(320,000)	1,197,333

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17. Statement of funds (continued)

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Restricted fixed asset funds						
Fixed assets	30,697,970	-	(1,238,335)	1,188,552	-	30,648,187
Condition improvement fund	1,611,102	215,932	-	(1,117,854)	-	709,180
Devolved formula capital	36,321	-	-	(36,321)	-	-
Finance lease	(710,437)	-	(35,906)	181,924	-	(564,419)
Loans	(80,133)	-	-	23,003	-	(57,130)
	<u>31,554,823</u>	<u>215,932</u>	<u>(1,274,241)</u>	<u>239,304</u>	<u>-</u>	<u>30,735,818</u>
Total Restricted funds	<u>32,886,603</u>	<u>17,087,500</u>	<u>(17,720,952)</u>	<u>-</u>	<u>(320,000)</u>	<u>31,933,151</u>
Total funds	<u><u>33,685,506</u></u>	<u><u>17,364,304</u></u>	<u><u>(17,792,550)</u></u>	<u><u>-</u></u>	<u><u>(320,000)</u></u>	<u><u>32,937,260</u></u>

The specific purposes for which the funds are to be applied are as follows:

Restricted fixed assets funds have been increased by capital grants provided by DfE and reduced by depreciation charges. Transfers to restricted fixed asset funds represent revenue contributions to CIF projects and the purchase of tangible fixed assets.

Restricted general fund have been increased by revenue grants provided by DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2025.

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17. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
General Funds - all funds	640,871	251,138	(93,106)	-	-	798,903
Restricted general funds						
GAG	2,013,160	12,860,469	(13,096,775)	(445,074)	-	1,331,780
16-19 Core Education Funding	-	21,005	(21,005)	-	-	-
Pupil Premium	-	495,778	(495,778)	-	-	-
PE Teachers Grants	-	382,784	(382,784)	-	-	-
Other DfE Funding	-	522,468	(522,468)	-	-	-
UIFSM	-	141,987	(141,987)	-	-	-
Core school budget grant	-	540,604	(540,604)	-	-	-
Other LA Funding	-	308,038	(308,038)	-	-	-
General Funds	-	431,964	(431,964)	-	-	-
Pension reserve	-	12,000	289,000	-	(301,000)	-
	<u>2,013,160</u>	<u>15,717,097</u>	<u>(15,652,403)</u>	<u>(445,074)</u>	<u>(301,000)</u>	<u>1,331,780</u>

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17. Statement of funds (continued)

Restricted fixed asset funds

Restricted Fixed Asset Fund	30,245,313	-	(1,004,081)	1,456,738	-	30,697,970
Devolved formula capital	-	36,321	-	-	-	36,321
Condition improvement fund	72,683	1,759,513	-	(221,094)	-	1,611,102
Finance lease liability	-	-	-	(710,438)	-	(710,438)
DfE loans	-	-	-	(80,132)	-	(80,132)
	<u>30,317,996</u>	<u>1,795,834</u>	<u>(1,004,081)</u>	<u>445,074</u>	<u>-</u>	<u>31,554,823</u>
Total Restricted funds	<u>32,331,156</u>	<u>17,512,931</u>	<u>(16,656,484)</u>	<u>-</u>	<u>(301,000)</u>	<u>32,886,603</u>
Total funds	<u><u>32,972,027</u></u>	<u><u>17,764,069</u></u>	<u><u>(16,749,590)</u></u>	<u><u>-</u></u>	<u><u>(301,000)</u></u>	<u><u>33,685,506</u></u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	-	30,648,187	30,648,187
Current assets	1,004,109	1,991,653	915,362	3,911,124
Creditors due within one year	-	(794,320)	(410,065)	(1,204,385)
Creditors due in more than one year	-	-	(417,666)	(417,666)
Total	<u><u>1,004,109</u></u>	<u><u>1,197,333</u></u>	<u><u>30,735,818</u></u>	<u><u>32,937,260</u></u>

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	30,697,970	30,697,970
Debtors due after more than one year	-	308,369	-	308,369
Current assets	798,903	1,824,989	1,647,423	4,271,315
Creditors due within one year	-	(801,578)	(198,073)	(999,651)
Creditors due in more than one year	-	-	(592,497)	(592,497)
Total	798,903	1,331,780	31,554,823	33,685,506

19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2025 £	2024 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(428,246)	1,014,479
Adjustments for:		
Depreciation	1,238,335	1,004,081
Capital grants from DfE and other capital income	(215,932)	(1,795,834)
Interest receivable	(60,768)	(42,183)
Defined benefit pension scheme cost less contributions payable	(265,000)	(289,000)
Defined benefit pension scheme finance cost	(55,000)	(12,000)
Decrease/(increase) in debtors	177,968	(112,387)
Increase in creditors	5,636	32,166
Net cash provided by/(used in) operating activities	396,993	(200,678)

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20. Cash flows from financing activities

	2025 £	2024 £
Repayments of borrowing	(181,915)	(29,502)
Interest receivable	60,768	42,183
Net cash (used in)/provided by financing activities	(121,147)	12,681

21. Cash flows from investing activities

	2025 £	2024 £
Purchase of tangible fixed assets	(982,370)	(746,390)
Capital grants from DfE Group	922,500	380,086
Net cash used in investing activities	(59,870)	(366,304)

22. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand and at bank	2,742,076	2,526,100
Total cash and cash equivalents	2,742,076	2,526,100

23. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	2,526,100	215,976	2,742,076
Debt due within 1 year	(23,002)	4,190	(18,812)
Debt due after 1 year	(57,130)	18,812	(38,318)
Finance leases	(710,438)	146,019	(564,419)
	1,735,530	384,997	2,120,527

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24. Capital commitments

	2025 £	2024 £
Contracted for but not provided in these financial statements		
Roofing project	-	54,557
Electrical upgrades	691,158	82,860
Fire safety upgrades	128,689	-
	<u>819,847</u>	<u>137,417</u>

25. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Brent Pension Fund. Both are multi-employer defined benefit schemes.

The latest valuation of the TPS related to the period ended 31 March 2020 and the latest triennial valuation for LGPS related to the period ended 31 March 2022. The Trust has received an actuarial report relating to the valuation of the LGPS as at 31 August 2025.

Contributions amounting to £277,940 were payable to the schemes at 31 August 2025 (2024 - £258,356) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation was implemented on 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £1,588,987 (2024 - £1,321,091).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy trust has set out above, the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £891,000 (2024 - £920,000), of which employer's contributions totalled £723,000 (2024 - £773,000) and employees' contributions totalled £168,000 (2024 - £147,000). The agreed contribution rates for future years are 30.5 per cent for employers and 5.5 -12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

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25. Pension commitments (continued)

Principal actuarial assumptions

London Borough of Brent Pension Fund

	2025	2024
	%	%
Rate of increase in salaries	3.00	2.95
Rate of increase for pensions in payment/inflation	2.70	2.65
Discount rate for scheme liabilities	6.10	5.00

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2025	2024
	Years	Years
Retiring today		
Males	22.0	21.7
Females	24.5	24.4
Retiring in 20 years		
Males	22.9	22.7
Females	25.8	25.7

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25. Pension commitments (continued)

Share of scheme assets

The Academy's share of the assets in the scheme was:

	At 31 August 2025 £	At 31 August 2024 £
Equities	7,427,000	6,158,000
Gilts	1,754,000	1,639,000
Property	825,000	675,000
Cash and other liquid assets	309,000	289,000
Total market value of assets	10,315,000	8,761,000

The actual return on scheme assets was £310,000 (2024 - £603,000).

The amounts recognised in the Statement of financial activities are as follows:

	2025 £	2024 £
Current service cost	(458,000)	(484,000)
Interest income	500,000	427,000
Interest cost	(445,000)	(415,000)
Total amount recognised in the Statement of financial activities	(403,000)	(472,000)

Changes in the present value of the defined benefit obligations were as follows:

	2025 £	2024 £
At 1 September	8,761,000	7,817,000
Current service cost	458,000	484,000
Interest cost	445,000	415,000
Employee contributions	168,000	147,000
Actuarial losses	630,000	25,000
Benefits paid	(147,000)	(127,000)
At 31 August	10,315,000	8,761,000

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25. Pension commitments (continued)

Changes in the fair value of the Academy's share of scheme assets were as follows:

	2025 £	2024 £
At 1 September	8,761,000	7,817,000
Interest income	500,000	427,000
Actuarial gains/(losses)	310,000	(276,000)
Employer contributions	723,000	773,000
Employee contributions	168,000	147,000
Benefits paid	(147,000)	(127,000)
At 31 August	10,315,000	8,761,000

26. Contingent asset

As at 31 August 2025, the actuarial valuation of the Local Government Pension Scheme was calculated as a surplus of £3,651,000 (2024: £972,000 surplus). As this valuation does not give rise to a virtually certain economic benefit for the trust, either in the form of a reduction in future contributions or a cash settlement, any surplus arising on the valuation is recognised solely as a contingent asset.

27. Operating lease commitments

At 31 August 2025 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	3,828	3,828
Later than 1 year and not later than 5 years	9,570	13,398
	13,398	17,226

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

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29. Related party transactions

Owing to the nature of the Academy and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the DfE of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

30. Agency arrangements

The academy trust distributes 16 -19 bursary funds to students as an agent for the DfE. In the accounting period ending 31 August 2025 the trust received £20,911 (2024: £21,005) and disbursed £20,911 (2024: £19,937) from the fund. An amount of £Nil (2024: £Nil) is included in deferred income relating to undistributed funds that is repayable to the DfE.